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# Music



# Question

**I**nsurance will guarantee you either 50% or 75% of your average annual yield. Wheat income EVERY YEAR!

1. Are there any changes in the crop insurance program for 1942?

Yes. There are four important changes.

2. What are these changes?

- (1) A wheat note plan for paying premiums.
- (2) The requirement that a person insure all the farms in the county in which he has an interest in the seeded wheat crop.
- (3) A method whereby the insurance contract follows the interest in the wheat crop.
- (4) An extension of the time in which the insurance is in force.

3. What is a wheat note?

It is a promise on the part of the applicant to pay the premium on his insurance contract at a future date, either in wheat or the cash equivalent.



4. When must this note be signed and paid?

You must sign this note when you apply for insurance. You can pay it on or before its date of maturity.

5. What is the date of maturity?

The maturity date shall be the date the cash equivalent of the loss or

**N**ow you are protected against loss from ALL unavoidable hazards such as drought, insects, etc.

indemnity is approved for payment by the Corporation, or the date application for Commodity Credit Corporation loan is made, or a date corresponding generally to the approximate time the harvest of the insured crop is completed in your State, whichever occurs first.



6. What is the Crop Insurance Corporation's guarantee that the note will be paid?

When you sign the note, you authorize the deduction of the cash equivalent value of the premium from (1) any indemnity you might receive, (2) your AAA conservation payment, or (3) your Commodity Credit Corporation loan.

7. If an insured farmer does not receive an indemnity and fails to pay the note, will the premium be deducted from the commodity loan or AAA conservation check?

If an indemnity is not received, the premium will be deducted from the payment which you receive first.

**Seeding** wheat then will never be in vain. Every year will be a crop year. Crop income is secure.



For example, if you get a commodity loan before receiving your AAA payment, the premium would be deducted from your loan. If your AAA payment is payable before you obtain a commodity loan, the premium would be deducted from your AAA check.

8. Can the applicant pay the note before it comes due?

Yes. He can pay it any time on or before maturity, either in wheat or cash.

9. Can the applicant pay the note in wheat after maturity?

No. It must be paid in cash.

10. Where can these notes be paid?

At your county AAA office.

11. Will interest be charged on these notes?

No interest will be charged either before or after maturity of the note.

12. When is the cash equivalent established for my note?

The cash equivalent for your note is established on (1) the maturity date of the note, or (2) the date on which you pay the note, whichever occurs first.

**U**ntold hardships often follow crop failure . . . unpaid taxes, debts, sometimes mortgage foreclosures.

13. May I make a partial payment on the note before maturity?

Yes. However, the price applicable to the date you make each payment will be used.

14. May I pay the premium in cash without signing a wheat note?

For convenience in signing and administrative economy, the wheat note has been incorporated into the insurance application. The signing of the application constitutes the signing of the note. However, a cash payment can be made at the time the application is signed and to the extent of the cash payment, this is applied as a payment on the note.

15. Why must I sign a wheat note?

In order that the Corporation will be guaranteed payment of the premium for all farms you list on your application, together with the premium for other farms in which you later acquire an interest in the wheat crop in the same county and before seeding.

16. If I have an interest in the wheat crop on two or more farms in the same county, may I insure one and not the other?



**R**easonable rates for every farm. They are based on productivity and crop loss for each farm.

No. If you insure one farm, you must insure all other farms on which you have an interest in the wheat crop at the time of seeding if they are in the same county.

17. Must I insure all farms when they are located in separate counties?

No. Farms located in one county may be insured without insuring the farms located in another county.

18. Must I sign a contract for each separate farm?

No. One contract will cover all farms located within a county.

19. If farms are in separate counties, must separate contracts be signed?

Yes, unless farms in separate counties are operated as

one unit. In that case, the contract will be signed in the county in which the farm is considered under the AAA program.



20. Can I transfer any or all of my interest in the insurance contract?

**E**scape from crop loss worries is assured by crop insurance. It guarantees your yield. Wheat loans guarantee your price.

The insurance contract follows the crop and a transfer of any or all of your interest in the insured crop would automatically accomplish a similar transfer of the insurance contract.



21. In case a transfer of the insured crop takes place, to whom will an indemnity be paid?

The indemnity will be paid to the person or persons having an interest in the insured crop at the time of loss.

22. When is the time of loss?

The time of loss is the time of threshing, except that if a total or substantially total destruction of the insured crop occurs earlier, the time the Corporation determines such loss took place shall be the time of loss.

23. When does the insurance contract cease to be effective?

Upon threshing or removal of the crop from the farm, but in no event later than October 31, 1942, unless specifically extended in writing by the Corporation.

**THE FEDERAL CROP INSURANCE CORPORATION**  
**AGRICULTURAL ADJUSTMENT ADMINISTRATION**

UNITED STATES DEPARTMENT OF AGRICULTURE  
FEDERAL CROP INSURANCE CORPORATION

WASHINGTON, D. C.

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